

### **REMARKS**

This amendment is submitted in response to the outstanding non-final Office Action mailed September 24, 2008. In view of the following remarks, reconsideration by the Examiner and allowance of this application is respectfully requested.

Claims 88, 90-96 and 98 were rejected under 35 U.S.C. §101, because the claimed invention was allegedly directed to non-statutory subject matter. Specifically, the Examiner has alleged that the process steps in claims 88, 90 – 96 and 98 are not tied to another statutory class nor do they execute a transformation. This rejection is respectfully traversed for the following reasons.

Without conceding the correctness of the Examiner's position, Claims 88, 90 – 96 and 98 have been cancelled to expedite prosecution of the present application. Applicants cancel these claims without prejudice and reserve the right to file a Continuation Application on the cancelled subject matter.

By cancelling Claims 88, 90 – 96 and 98, however, this rejection under 35 U.S.C. §101 has thus been overcome. Reconsideration by the Examiner and withdrawal of this rejection is respectfully requested.

Next, Claims 75, 77– 85, 87– 88, 90– 96, 98 – 99, 101 – 108 and 110 were rejected under 35 U.S.C. §112, first paragraph as failing to comply with the written description requirement. Specifically, the Examiner states that Applicant discloses an “external bank, credit card or atm network,” yet neither the original specification nor claims disclose that the fund depositor account and the third party account communicate with each other through such a network. This rejection is respectfully traversed for the reasons set forth hereinafter.

The specification discloses at page 16, lines 3 – 5 that the method can be implemented through a bank teller or bank ATM machine. The use of banking ATM networks (which are also credit card networks) to withdraw cash or purchase goods or services is disclosed throughout the

specification. (See, for example, the last paragraph of page 20 as just one example.) Page 20, lines 15 – 19 discloses that the invention can be used to set aside funds in a distant city for a third party recipient where the bank of the fund provider does not have branches, which implicitly requires and contemplates the fund depositor account and the third party account communicating through a banking ATM/credit card network.

MPEP §2163.02 states that, “to satisfy the written description requirement, an applicant must convey with reasonable clarity to those skilled in the art that, as of the filing date sought, he or she was in possession of the invention, and that the invention, in that context, is whatever is now claimed.” The afore-cited passages from the specification demonstrate that applicant was in possession of having fund depositor account and the third party account communicate through an external bank, credit card or ATM network at least as early as the April 16, 1996 filing date of U.S. Patent Application Ser. No. 08/585,173. Accordingly, reconsideration by the Examiner and withdrawal of this rejection is respectfully requested.

Finally, Claims 75, 77– 85, 87– 88, 90– 96, 98– 99, 101–108 and 110 were rejected under 35 U.S.C. §103(a) as being unpatentable for obviousness over Nakano et al., U.S. Pat. 5,845,260 in view of Anderson et al., U.S. Pat. No. 5,706,442 and Dorrough et al., U.S. Pat. No. 5,287,269. Nakano et al. was cited by the Examiner as disclosing using information entered by a depositor on a PC to create a third party account, periodically and automatically transferring money into the account, and limiting the funds spent and how the funds are spent. The Examiner considers implicit from Nakano et al. that a bank or other financial institution will verify that there are sufficient funds in an account to support a funds transfer.

The Examiner acknowledges that Nakano et al. do not teach the fund depositor viewing the account activity through a CRT or LCD device, but cites Anderson et al. as disclosing this. The Examiner also acknowledges that neither Nakano et al. or Anderson et al. describe issuing an encoded card such as a debit card to a child, but cites Dorrough et al. as disclosing this. Finally,

the Examiner states that it has been taken as admitted prior art that a well known method for exchanging data over the internet is via electronic mail.

This rejection is respectfully traversed for the reasons set forth hereinafter.

Nakano et al. describes a closed system that is not implemented through an external bank, credit card or atm network. The creation of an imaginary account is described in which a child has “a quasi-experience of a business transaction extremely similar to a real one.” (Col. 7, lines 1 – 2. The child receives credits, which can be allocated as an allowance, that can be used to purchase goods and services through a cable network service provider. Unlike the present invention the child cannot make purchases outside the closed network, let alone outside the home.

The Examiner incorrectly assumes that Nakano et al. use a bank or other financial institution to verify that there are sufficient funds in an account to support a funds transfer. This is handled by the cable network service provider. No funds are ever transferred from parent to child and therefore are never used by the child to purchase goods or services over the cable network. The child instead receives imaginary credits that are used to purchase goods and services for which the parent is later billed on their credit card. The use of imaginary credit calls into question whether what is claimed by Nakano et al. is even statutory subject matter under 35 U.S.C. §101.

Nakano et a. therefore fails to teach or suggest the presently claimed method that is implemented through an external bank, credit card or ATM network to transfer actual funds to a third party recipient to withdraw cash or purchase goods and services from network vendors, even in distant cities. There is also no motivation in Nakano et al. to modify the process therein to arrive at the presently claimed invention. The objective of Nakano et al. is to provide a system in which it is not necessary to issue a child a card in communication with an external bank, credit card or ATM network. (See col. 7, lines 43 – 50.)

Nakano et al. therefore teach against the presently-claimed invention on several levels. First, Nakano et al. teach against permitting the fund recipient to transact business over an

external bank, credit card or ATM network. Second, Nakano et al. teach against internet transactions to the extent they would involve the transfer of funds over an open network. Thus while Anderson et al. may teach the exchange of financial information over the internet, Nakano et al. teaches against the use of such an open network, and, in any event, Anderson et al. does not teach, suggest or motivate one of ordinary skill in the art to establish a system where transaction information is transmitted over a computer network to inform a fund depositor how the third party he or she provided money to spent the funds. This cannot be learned by reading Nakano et al. or Anderson et al., alone or in combination.

While Dorrough et al. may teach an encoded magnetic card, the card is also used within a closed system rather than an open bank, credit card or ATM network. There is no teaching, suggestion or motivation to apply it externally. Instead, as previously noted, Nakano et al. teach against doing this.

At best, the cited combination of prior art teach a closed system through which parents may allot the amount a child spends over a period of time over a closed network, be it the recreational facility of Dorrough et al. or the cable network of Nakano et al. There is no teaching, suggestion or motivation to establish the present system where limits on goods or services that may be purchased may be established using the existing vendor identification system of a banking, credit card or ATM network (see page 5, last paragraph or the present specification). To the contrary, Nakano et al. teach that this is not possible! (See Col. 7, lines 43– 45.)

To accomplish what a primary reference teaches cannot be done patentably defines there-over. What the secondary references teach becomes immaterial, because such a teaching in the primary reference mitigates the secondary teachings.

Given the ability of the present invention to do what Nakano et al. teaches cannot be done, the presently claimed invention patentably defines over the cited prior art viewed alone or

in combination. In view of the foregoing remarks, this rejection of Claims 75, 77– 85, 87– 88, 90– 96, 98– 99, 101–108 and 110 under 35 U.S.C. §103(a) as being unpatentable for obviousness over Nakano et al., U.S. Pat. 5,845,260 in view of Anderson et al., U.S. Pat. No. 5,706,442 and Dorrough et al., U.S. Pat. No. 5,287,269 has thus been overcome. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

In view of the above claim cancellations and foregoing remarks, this application is now in condition for allowance. Reconsideration is respectfully requested. The Examiner is requested to telephone the undersigned to discuss any remaining issues in this application to be resolved.

Finally, the Examiner is authorized to charge applicant's Deposit Account No. 50-1943 for any additional charges in connection with this Amendment.

Respectfully submitted,

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